

# CONTROLLER STEVE WESTLY

## STATE OF CALIFORNIA

300 Capitol Mall  
Sacramento, CA 95814  
916.445.3028  
[www.controller.ca.gov](http://www.controller.ca.gov)

**FOR IMMEDIATE RELEASE:  
DECEMBER 23, 2003**

**CONTACT: STEVEN FISHER OR  
LAURA ADLEMAN  
916-445-2636**

## WESTLY URGES PUBLIC DISCLOSURE OF GRASSO REPORT

**The following is the text of a December 23 letter sent by California State Controller  
Steve Westly to interim NYSE chairman John S. Reed**

Dear Mr. Reed:

It is critical that the report on New York Stock Exchange ex-chairman Richard Grasso's compensation be made public to all California investors and investors nationwide. This case is about more than one person; it's about restoring public trust in the NYSE.

I am deeply concerned about the excessive compensation package Mr. Grasso received: a reported \$187.5 million. The agreement's disclosure contributed to rising distrust in NYSE governance and distracted the NYSE from important reform efforts.

The Grasso report itself may reveal internal NYSE decision-making, but how the NYSE handles the report's release will speak volumes about its commitment to genuine reform.

In addition to making the Grasso report public, the NYSE must make key reforms to end conflicts of interest: maintain independence of NYSE board members from corporations the board oversees; reform the specialist system to ensure a clean and open market system; and ensure that the regulatory oversight committee is free to discipline NYSE members.

The NYSE is experiencing a difficult period. Only sunshine can disperse the clouds of distrust. It's time for full disclosure and immediate reform.

Sincerely,

Steve Westly  
California State Controller

###